



Facility Name & ID Number Southgate Health Care Center# 0017996 Report Period Beginning: 01/01/03 Ending: 12/31/03

## III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days,  
(must agree with license). Date of change in licensed bedsN/A

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	<u>74</u>	Skilled (SNF)	<u>74</u>	<u>27,010</u>	1
2		Skilled Pediatric (SNF/PED)			2
3	<u>66</u>	Intermediate (ICF)	<u>66</u>	<u>24,090</u>	3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	<u>140</u>	TOTALS	<u>140</u>	<u>51,100</u>	7

## B. Census-For the entire report period.

	1	2	3	4	5	
	Level of Care	Patient Days by Level of Care and Primary Source of Payment				
		Public Aid Recipient	Private Pay	Other	Total	
8	SNF	<u>9,341</u>	<u>213</u>	<u>3,520</u>	<u>13,074</u>	8
9	SNF/PED					9
10	ICF	<u>23,277</u>	<u>5,116</u>		<u>28,393</u>	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>32,618</u>	<u>5,329</u>	<u>3,520</u>	<u>41,467</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed  
bed days on line 7, column 4.) 81.15%

D. How many bed-hold days during this year were paid by Public Aid?

0 (Do not include bed-hold days in Section B.)E. List all services provided by your facility for non-patients.  
(E.g., day care, "meals on wheels", outpatient therapy)None

F. Does the facility maintain a daily midnight census?

YesG. Do pages 3 & 4 include expenses for services or  
investments not directly related to patient care?YES ☒NO ☐Non-allowable costs have been  
eliminated in Schedule V, Column 7

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?

YES ☒NO ☐

I. On what date did you start providing long term care at this location?

Date started 08/25/1972

J. Was the facility purchased or leased after January 1, 1978?

YES ☐Date N/ANO ☒

K. Was the facility certified for Medicare during the reporting year?

YES ☒NO ☐

If YES, enter number

of beds certified 38 and days of care provided 2,786Medicare Intermediary AdminaStar Federal (Louisville, KY)

## IV. ACCOUNTING BASIS

ACCRUAL ☒

MODIFIED

CASH\* ☐CASH\* ☐

Is your fiscal year identical to your tax year?

YES ☒NO ☐Tax Year: 12/31/03 Fiscal Year: 12/31/03

\* All facilities other than governmental must report on the accrual basis.

SEE ACCOUNTANTS' COMPILATION REPORT

## STATE OF ILLINOIS

Page 3

Facility Name &amp; ID Number Southgate Health Care Center

# 0017996

Report Period Beginning:

01/01/03

Ending:

12/31/03

## V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclassification 5	Reclassified Total 6	Adjust- ments 7**	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	<b>A. General Services</b>											
1	Dietary	149,444	9,570	6,936	165,950		165,950		165,950			1
2	Food Purchase		195,418		195,418		195,418	(34,581)	160,837			2
3	Housekeeping	106,074	20,409		126,483		126,483		126,483			3
4	Laundry	69,441	11,034		80,475		80,475		80,475			4
5	Heat and Other Utilities			72,780	72,780		72,780		72,780			5
6	Maintenance	69,516	9,160	35,473	114,149		114,149		114,149			6
7	Other (specify):*											7
8	<b>TOTAL General Services</b>	394,475	245,591	115,189	755,255		755,255	(34,581)	720,674			8
	<b>B. Health Care and Programs</b>											
9	Medical Director			5,000	5,000		5,000		5,000			9
10	Nursing and Medical Records	980,137	140,908	55,117	1,176,162		1,176,162		1,176,162			10
10a	Therapy			297,983	297,983		297,983		297,983			10a
11	Activities	63,881	2,911		66,792		66,792		66,792			11
12	Social Services	44,869			44,869		44,869		44,869			12
13	Nurse Aide Training											13
14	Program Transportation											14
15	Other (specify):*											15
16	<b>TOTAL Health Care and Programs</b>	1,088,887	143,819	358,100	1,590,806		1,590,806		1,590,806			16
	<b>C. General Administration</b>											
17	Administrative	242,367			242,367		242,367		242,367			17
18	Directors Fees											18
19	Professional Services			26,446	26,446		26,446	(784)	25,662			19
20	Dues, Fees, Subscriptions & Promotions			23,335	23,335		23,335	(11,658)	11,677			20
21	Clerical & General Office Expenses	130,080	15,854	55,027	200,961		200,961	(1,617)	199,344			21
22	Employee Benefits & Payroll Taxes			302,019	302,019		302,019	33,578	335,597			22
23	Inservice Training & Education											23
24	Travel and Seminar			10,372	10,372		10,372	(5,013)	5,359			24
25	Other Admin. Staff Transportation			14,751	14,751		14,751	(2,109)	12,642			25
26	Insurance-Prop.Liab.Malpractice			164,192	164,192		164,192		164,192			26
27	Other (specify):*											27
28	<b>TOTAL General Administration</b>	372,447	15,854	596,142	984,443		984,443	12,397	996,840			28
29	<b>TOTAL Operating Expense (sum of lines 8, 16 &amp; 28)</b>	1,855,809	405,264	1,069,431	3,330,504		3,330,504	(22,184)	3,308,320			29

\* Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

SEE ACCOUNTANTS' COMPILATION REPORT

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

\*\* See schedule of adjustments attached at end of cost report.

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7**	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	<b>D. Ownership</b>											
30	Depreciation			90,594	90,594		90,594	11,014	101,608			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			1,924	1,924		1,924	(1,924)				32
33	Real Estate Taxes			20,355	20,355		20,355		20,355			33
34	Rent-Facility & Grounds											34
35	Rent-Equipment & Vehicles			10,791	10,791		10,791		10,791			35
36	Other (specify):*											36
37	<b>TOTAL Ownership</b>			123,664	123,664		123,664	9,090	132,754			37
	<b>Ancillary Expense</b>											
	<b>E. Special Cost Centers</b>											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers	167,472	69,351	18,228	255,051		255,051		255,051			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			76,650	76,650		76,650		76,650			42
43	Other (specify):* <b>Nonallowable Costs</b>			142,793	142,793		142,793	(142,793)				43
44	<b>TOTAL Special Cost Centers</b>	167,472	69,351	237,671	474,494		474,494	(142,793)	331,701			44
45	<b>GRAND TOTAL COST (sum of lines 29, 37 &amp; 44)</b>	2,023,281	474,615	1,430,766	3,928,662		3,928,662	(155,887)	3,772,775			45

\*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

\*\*See schedule of adjustments attached at end of cost report.

SEE ACCOUNTANTS' COMPILATION REPORT

**VI. ADJUSTMENT DETAIL**      A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7.  
 In column 2 below, reference the line on which the particular cost was included. (See instructions.)

	1	2	3	
	Amount	Refer-	OHF USE	
		ence	ONLY	
<b>NON-ALLOWABLE EXPENSES</b>				
1 Day Care	\$		\$	1
2 Other Care for Outpatients				2
3 Governmental Sponsored Special Programs				3
4 Non-Patient Meals				4
5 Telephone, TV & Radio in Resident Rooms				5
6 Rented Facility Space				6
7 Sale of Supplies to Non-Patients				7
8 Laundry for Non-Patients				8
9 Non-Straightline Depreciation	11,014	30		9
10 Interest and Other Investment Income				10
11 Discounts, Allowances, Rebates & Refunds				11
12 Non-Working Officer's or Owner's Salary				12
13 Sales Tax	(138)	43		13
14 Non-Care Related Interest	(1,905)	32		14
15 Non-Care Related Owner's Transactions				15
16 Personal Expenses (Including Transportation)				16
17 Non-Care Related Fees				17
18 Fines and Penalties	(1,740)	43		18
19 Entertainment				19
20 Contributions	(39,602)	43		20
21 Owner or Key-Man Insurance				21
22 Special Legal Fees & Legal Retainers				22
23 Malpractice Insurance for Individuals				23
24 Bad Debt	(29,915)	43		24
25 Fund Raising, Advertising and Promotional				25
26 Income Taxes and Illinois Personal Property Replacement Tax				26
27 Nurse Aide Training for Non-Employees				27
28 Yellow Page Advertising	(11,263)	20		28
29 Other-Attach Schedule See attached	(82,338)			29
30 SUBTOTAL (A): (Sum of lines 1-29)	\$ (155,887)		\$	30

OHF USE ONLY						
48		49	50	51	52	

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

	1	2	
	Amount	Reference	
31 Non-Paid Workers-Attach Schedule*	\$		31
32 Donated Goods-Attach Schedule*			32
33 Amortization of Organization & Pre-Operating Expense			33
34 Adjustments for Related Organization Costs (Schedule VII)			34
35 Other- Attach Schedule			35
36 SUBTOTAL (B): (sum of lines 31-35)	\$		36
(sum of SUBTOTALS			
37 TOTAL ADJUSTMENTS (A) and (B) )	\$ (155,887)		37

\*These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification.  
 (See instructions.)

	1	2	3	4	
	Yes	No	Amount	Reference	
38 Medically Necessary Transport.		X	\$		38
39					39
40 Gift and Coffee Shops		X			40
41 Barber and Beauty Shops		X			41
42 Laboratory and Radiology		X			42
43 Prescription Drugs		X			43
44 Exceptional Care Program		X			44
45 Other-Attach Schedule		X			45
46 Other-Attach Schedule		X			46
47 TOTAL (C): (sum of lines 38-46)			\$		47

SEE ACCOUNTANTS' COMPILATION REPORT

**Southgate Health Care Center****Facility #: 0017996****01/01/2003 - 12/31/2003****Page 5 - Non-allowable Expenses**

<u>Description</u>	<u>Amount</u>	<u>Ref</u>
PAC contribution	(672)	43
Cable & condo rent	(1,617)	21
Medicare & VA lab/x-ray fees	(11,923)	43
Out-of-state travel & seminar	(5,013)	24
Non-allowable travel & entertainment	(2,109)	25
Directors Insurance	(24,320)	43
Car & gas expense	(4,467)	43
Marketing expense	(11,075)	43
Tax expense	(9,249)	43
Other income	(9,692)	43
Legal (collection) fees	(784)	19
Chamber of Commerce & Kiwanis dues	(395)	20
Offset Interest Income	(19)	32
Offset Vending Income	<u>(1,003)</u>	2
	<u><u>(82,338)</u></u>	

## Southgate Health Care Center

ID# 0017996

Report Period Beginning: 01/01/03

Ending: 12/31/03

Sch. V Line

NON-ALLOWABLE EXPENSES		Amount	Reference
1		\$	1
2			2
3			3
4			4
5			5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
18			18
19			19
20			20
21			21
22			22
23			23
24			24
25			25
26			26
27			27
28			28
29			29
30			30
31			31
32			32
33			33
34			34
35			35
36			36
37			37
38			38
39			39
40			40
41			41
42			42
43			43
44			44
45			45
46			46
47			47
48			48
49	Total	0	49

See Accountants' Compilation Report

## Summary A

12/31/03

**SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I**

[illegible]



## STATE OF ILLINOIS

Summary B

Facility Name & ID Number Southgate Health Care Center# 0017996

Report Period Beginning:

01/01/03

Ending:

12/31/03

## SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Capital Expense	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	<b>D. Ownership</b>													
30	Depreciation	11,014	0	0	0	0	0	0	0	0	0	0	11,014	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(1,905)	0	0	0	0	0	0	0	0	0	0	(1,905)	32
33	Real Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0	33
34	Rent-Facility & Grounds	0	0	0	0	0	0	0	0	0	0	0	0	34
35	Rent-Equipment & Vehicles	0	0	0	0	0	0	0	0	0	0	0	0	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	<b>TOTAL Ownership</b>	<b>9,109</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,109</b>	<b>37</b>
	<b>Ancillary Expense</b>													
	<b>E. Special Cost Centers</b>													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	0	0	0	0	0	0	0	0	0	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	(71,395)	0	0	0	0	0	0	0	0	0	0	(71,395)	43
44	<b>TOTAL Special Cost Centers</b>	<b>(71,395)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(71,395)</b>	<b>44</b>
	<b>GRAND TOTAL COST</b>													
45	<b>(sum of lines 29, 37 &amp; 44)</b>	<b>(73,549)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(73,549)</b>	<b>45</b>

Facility Name &amp; ID Number Southgate Health Care Center

# 0017996

Report Period Beginning:

01/01/03

Ending:

12/31/03

## VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
Jane Ann Parker	86.00					
Sam Thompson	4.67					
Jeff Thompson	4.67	N/A		N/A		
Shelly MacCauley	4.66					

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☐ YES ☒ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger	4 Amount	5 Cost to Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
			Item		Name of Related Organization				
1	V			\$			\$	\$	1
2	V								2
3	V								3
4	V								4
5	V								5
6	V				N/A				6
7	V								7
8	V								8
9	V								9
10	V								10
11	V								11
12	V								12
13	V								13
14	Total			\$			\$	\$ *	14

\* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

## STATE OF ILLINOIS

Page 7

Facility Name & ID Number Southgate Health Care Center # 0017996 Report Period Beginning: 01/01/03 Ending: 12/31/03

## VII. RELATED PARTIES (continued)

## C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

**NOTE: ALL owners ( even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.**

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	Sam Thompson	Operations	Administrative	4.67	None	40+	66.67	Salary	\$ 170,493	17(1)	1
2	Jeff Thompson	Maintenance	Maintenance	4.67	None	40+	100.00	Salary	27,600	6(1)	2
3	Mary Lynn Thompson	Accountant	Clerical	0.00	None	40+	100.00	Salary	38,933	21(1)	3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 237,026		13

\* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

\*\* This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Southgate Health Care Center# 0017996

Report Period Beginning:

01/01/03Ending: 12/31/03

## VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES ☐ NO ☒

Name of Related Organization N/A

Street Address \_\_\_\_\_

City / State / Zip Code \_\_\_\_\_

Phone Number ( )Fax Number ( )

B. Show the allocation of costs below. If necessary, please attach worksheets.

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
2									2
3									3
4									4
5									5
6				N/A					6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Southgate Health Care Center# 0017996

Report Period Beginning:

01/01/03

Ending:

12/31/03

## IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

1		2		3	4	5	6		7	8	9	10	
	Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense		
		YES	NO				Original	Balance					
	A. Directly Facility Related												
	Long-Term												
1	Banterra Bank		X	Vehicle purchase	\$360.00	08/24/00	\$ 11,154	\$	08/23/03	0.1000	\$ 105	1	
2	Banterra Bank		X	Vehicle purchase	\$948.00	08/24/00	29,810		08/23/03	0.0900	248	2	
3	GMAC		X	Vehicle purchase	\$1,130.00	10/31/02	40,686	24,864	10/31/05	zero %		3	
4												4	
5												5	
	Working Capital												
6	Community Bank		X	Line of Credit	demand	2/28/03	60,000		2/28/04	varies	1,269	6	
7			X	Finance Charge							11	7	
8			X	Accrued Interest Write-off							(1,614)	8	
9	TOTAL Facility Related				\$2,438.00		\$ 141,650	\$ 24,864			\$ 19	9	
	B. Non-Facility Related*												
10	Mercedes Credit		X	Vehicle - JA	\$1,415.00	5/31/03	76,104	69,509	5/31/08	0.0490	1,905	10	
11								Less: Interest income offset			(19)	11	
12								Non-allowable interest			(1,905)	12	
13												13	
14	TOTAL Non-Facility Related				\$1,415.00		\$ 76,104	\$ 69,509			\$ (19)	14	
15	TOTALS (line 9+line14)						\$ 217,754	\$ 94,373			\$	15	

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ N/A Line # N/A\* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7.  
(See instructions.)

SEE ACCOUNTANTS' COMPILATION REPORT

\*\* If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2.  
(See instructions.)

Facility Name & ID Number **Southgate Health Care Center**# **0017996** Report Period Beginning: **01/01/03** Ending: **12/31/03****IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)****B. Real Estate Taxes**

<div style="border: 1px solid black; padding: 2px; display: inline-block;"> <b>Important</b>, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report. </div>																																
1. Real Estate Tax accrual used on 2002 report.		\$ <b>17,100</b>	1																													
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)	2002	\$ <b>18,755</b>	2																													
3. Under or (over) accrual (line 2 minus line 1).		\$ <b>1,655</b>	3																													
4. Real Estate Tax accrual used for 2003 report. (Detail and explain your calculation of this accrual on the lines below.)		\$ <b>18,700</b>	4																													
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. <b>(Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)</b>		\$	5																													
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. <b>TOTAL REFUND \$ For Tax Year. (Attach a copy of the real estate tax appeal board's decision.)</b>		\$	6																													
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.		\$ <b>20,355</b>	7																													
Real Estate Tax History:																																
Real Estate Tax Bill for Calendar Year:	<table border="1"> <tr><td>1998</td><td><b>15,241</b></td><td>8</td></tr> <tr><td>1999</td><td><b>15,768</b></td><td>9</td></tr> <tr><td>2000</td><td><b>16,739</b></td><td>10</td></tr> <tr><td>2001</td><td><b>17,006</b></td><td>11</td></tr> <tr><td>2002</td><td><b>18,755</b></td><td>12</td></tr> </table>	1998	<b>15,241</b>	8	1999	<b>15,768</b>	9	2000	<b>16,739</b>	10	2001	<b>17,006</b>	11	2002	<b>18,755</b>	12	<table border="1"> <tr><td colspan="2"><b>FOR OHF USE ONLY</b></td><td></td></tr> <tr><td>13</td><td>FROM R. E. TAX STATEMENT FOR 2002 \$</td><td>13</td></tr> <tr><td>14</td><td>PLUS APPEAL COST FROM LINE 5 \$</td><td>14</td></tr> <tr><td>15</td><td>LESS REFUND FROM LINE 6 \$</td><td>15</td></tr> <tr><td>16</td><td>AMOUNT TO USE FOR RATE CALCULATION \$</td><td>16</td></tr> </table>	<b>FOR OHF USE ONLY</b>			13	FROM R. E. TAX STATEMENT FOR 2002 \$	13	14	PLUS APPEAL COST FROM LINE 5 \$	14	15	LESS REFUND FROM LINE 6 \$	15	16	AMOUNT TO USE FOR RATE CALCULATION \$	16
1998	<b>15,241</b>	8																														
1999	<b>15,768</b>	9																														
2000	<b>16,739</b>	10																														
2001	<b>17,006</b>	11																														
2002	<b>18,755</b>	12																														
<b>FOR OHF USE ONLY</b>																																
13	FROM R. E. TAX STATEMENT FOR 2002 \$	13																														
14	PLUS APPEAL COST FROM LINE 5 \$	14																														
15	LESS REFUND FROM LINE 6 \$	15																														
16	AMOUNT TO USE FOR RATE CALCULATION \$	16																														
<b>Current tax bill rounded up to nearest \$100 = \$18700</b>																																

**NOTES:**

1. Please indicate a negative number by use of brackets( ). Deduct any overaccrual of taxes from prior year.
2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.  
**This denial must be no more than four years old at the time the cost report is filed.**

SEE ACCOUNTANTS' COMPILATION REPORT

**IMPORTANT NOTICE**

TO: Long Term Care Facilities with Real Estate Tax Rates RE: 2002 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2002 real estate tax costs, as well as copies of your real estate tax bills for calendar 2002.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2002 real estate tax bill to the Department of Public Aid, Office of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2003 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions,

**2002 LONG TERM CARE REAL ESTATE TAX STATEMENT**

FACILITY NAME Southgate Health Care Center COUNTY Massac

FACILITY IDPH LICENSE NUMBER 0017996

CONTACT PERSON REGARDING THIS REPORT Sam Thompson

TELEPHONE (618) 524-2863 FAX #: (618) 524-3048

**A. Summary of Real Estate Tax Cos**

Enter the tax index number and real estate tax assessed for 2002 on the lines provided below. Enter only the portion of tl cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursr home property which is vacant, rented to other organizations, or used for purposes other than long term care must not l entered in Column D. Do not include cost for any period other than calendar year 2002.

(A)	(B)	(C)	(D) <u>Tax</u> <u>Applicable to</u> <u>Nursing Home</u>
<u>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	
1. <u>08-01-450-001</u>	<u>BK 150</u>	\$ <u>16,738.36</u>	\$ <u>16,738.36</u>
2. _____	<u>All blk 150 ex triangular portion</u>	\$ _____	\$ _____
3. _____	<u>parcel n pt of:</u>	\$ _____	\$ _____
4. _____	<u>Addition to Metropolis</u>	\$ _____	\$ _____
5. <u>08-01-451-01</u>	<u>BK 151</u>	\$ <u>524.92</u>	\$ <u>524.92</u>
6. _____	<u>Addition to Metropolis</u>	\$ _____	\$ _____
7. <u>08-01-448-002</u>	<u>Bk 148 - W 80 ft except N 26 ft</u>	\$ <u>225.02</u>	\$ <u>225.02</u>
8. _____	<u>Addition to Metropolis</u>	\$ _____	\$ _____
9. <u>08-01-449-001</u>	<u>Bk 149 - All Bld 149 except N 26 ft</u>	\$ <u>1,266.56</u>	\$ <u>1,266.56</u>
10. _____	<u>Addition to Metropolis</u>	\$ _____	\$ _____
<b>TOTALS</b>		\$ <u>18,754.86</u>	\$ <u>18,754.86</u>

**B. Real Estate Tax Cost Allocation:**

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not direct used for nursing home services?        YES   X   NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing hom (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used

**C. Tax Bills**

Attach a copy of the 2002 tax bills which were listed in Section A to this statement. Be sure to use the 2002 tax bill whic is normally paid during 2003.

See Accountants' Compilation Report

## X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 42,622
 B. General Construction Type:
 Exterior Brick
 Frame Concrete
 Number of Stories One

C. Does the Operating Entity?
 [X] (a) Own the Facility
 [ ] (b) Rent from a Related Organization.
 [ ] (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity?
 [X] (a) Own the Equipment
 [ ] (b) Rent equipment from a Related Organization.
 [X] (c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

 E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's ground: (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, nurse aide training facilities, etc.)  
 List entity name, type of business, square footage, and number of beds/units available (where applicable)

N/A

F. Does this cost report reflect any organization or pre-operating costs which are being amortized?
 [ ] YES
 [X] NO
 If so, please complete the following:

1. Total Amount Incurred:
 2. Number of Years Over Which it is Being Amortized:
 3. Current Period Amortization:
 4. Dates Incurred:

Nature of Costs:

(Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

## XI. OWNERSHIP COSTS:

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1	Resident care	185,500	1972	\$ 5,000	1
2	Resident care	193,500	2002	95,000	2
3	TOTALS	379,000		\$ 100,000	3

SEE ACCOUNTANTS' COMPILATION REPORT



Facility Name &amp; ID Number Southgate Health Care Center

# 0017996

Report Period Beginning:

01/01/03

Ending:

12/31/03

## XI. OWNERSHIP COSTS (continued)

## B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar

1	2	3	4	5	6	7	8	9	
Beds*	FOR OHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation
4	88	1972	1972	\$ 207,276	\$	30	\$ 6,909	\$ 6,909	\$ 196,907
5	37		1976	289,344		30	9,645	9,645	265,238
6	10		1989	583,147	18,513	30	19,438	925	281,551
7	5		1993	598,429	15,344	30	19,948	4,604	209,454
8			1994	13,658	350	30	455	105	4,530
Improvement Type**									
9	Land improvements		1975	7,341		10-30			7,341
10	Land improvements		1976	2,886		20			2,886
11	Building improvements		1977	1,098		28			1,098
12	Land and building improvement		1980	1,014		20			1,014
13	Building improvements		1981	57,891		15			57,891
14	Land & building improvement		1982	17,279		5-20			17,279
15	Building improvements		1983	675		10			675
16	Bushes & gravel		1984	888		10			888
17	Patio, Med room & improvements		1984	13,078		15			13,078
18	Building addition		1984	100,925		20	5,046	5,046	100,920
19	Gravel road & painting		1985	7,365		3-20			7,365
20	Improvements		1985	17,960		15			17,960
21	Fire alarm & barn		1985	3,568		20	179	179	3,311
22	Improvements		1986	13,163		15			13,163
23	Kitchen remodeling		1988	32,477	1,031	30	1,084	53	16,790
24	Overhead door/kitchen		1989	852		15	57	57	826
25	Flooring		1990	729		10			729
26	Fire alarm		1990	9,537	303	20	477	174	6,439
27	Dining room improvements		1992	1,824	58	10	93	35	1,824
28	Warehouse storage building		1993	17,802	565	30	593	28	6,523
29	100 gal lime tank		1995	3,742		15	250	250	2,125
30	Drywall resident rooms & bathroom		1996	2,240	57	10	225	168	1,684
31									
32									
33									
34									
35									
36									

\*Total beds on this schedule must agree with page 2.

\*\*Improvement type must be detailed in order for the cost report to be considered complete

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

**XI. OWNERSHIP COSTS (continued)**

**B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar**

	1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation		
37	Parking lot	1997	\$ 5,000	\$ 299	10	\$ 500	\$ 201	\$ 3,250		37
38	Flooring	1997	674	17	10	68	51	410		38
39	Kitchen plumbing	1997	1,947	50	20	97	47	631		39
40	Tile floor	1997	784	20	10	78	58	507		40
41	Water softener	1997	667	17	10	67	50	435		41
42	Interior design	1997	1,245	32	15	83	51	540		42
43										43
44	Flooring	1998	1,130	29	10	113	84	621		44
45										45
46	Roofing	1999	17,240	442	20	862	420	4,202		46
47										47
48	Roof - Section B	2000	31,346	437	20	1,567	1,130	5,126		48
49										49
50	New laundry building	2001	179,249	4,596	20	8,962	4,366	22,866		50
51	Laundry building flooring	2001	1,219	175	10	121	(54)	304		51
52	Roof replacement	2001	84,500	2,167	20	4,225	2,058	10,563		52
53										53
54	Design & remodel dining room	2002	97,732	2,506	40	2,443	(63)	3,665		54
55	Flooring	2002	39,834	6,828	10	3,683	(3,145)	5,674		55
56	Blinds	2002	2,473	424	10	247	(177)	371		56
57	Awning	2002	996	171	10	100	(71)	150		57
58	Walk in cooler repair	2002	3,361	576	10	336	(240)	504		58
59	Lighting	2002	2,563	439	10	256	(183)	384		59
60										60
61	Flooring	2003	871	349	10	44	(305)	44		61
62	Entryway Carpeting	2003	2,367	947	10	118	(829)	118		62
63										63
64										64
65										65
66										66
67										67
68										68
69										69
70	TOTAL (lines 4 thru 69)		\$ 2,481,386	\$ 56,742		\$ 88,369	\$ 31,627	\$ 1,299,854		70

SEE ACCOUNTANTS' COMPILATION REPORT

\*\*Improvement type must be detailed in order for the cost report to be considered complete

Facility Name &amp; ID Number Southgate Health Care Center

# 0017996

Report Period Beginning:

01/01/03

Ending:

12/31/03

## XI. OWNERSHIP COSTS (continued)

## C. Equipment Depreciation-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 466,703	\$ 8,766	\$ 9,500	\$ 734	5-10	\$ 438,072	71
72	Current Year Purchases	1,578	902	113	(789)	7	113	72
73	Fully Depreciated Assets	190,589					190,589	73
74								74
75	TOTALS	\$ 658,870	\$ 9,668	\$ 9,613	\$ (55)		\$ 628,774	75

## D. Vehicle Depreciation (See instructions.)\*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76	Resident care	1989 Chevrolet van	1989	\$ 18,500	\$	\$	\$	4	\$ 18,500	76
77	Resident care	1983 Ford pickup	1987	4,700				4	4,700	77
78	Resident care	1999 Dodge Dakota	2000	14,504	1,648	3,626	1,978	4	10,878	78
79										79
80	TOTALS			\$ 37,704	\$ 1,648	\$ 3,626	\$ 1,978		\$ 34,078	80

## E. Summary of Care-Related Assets

	1	2	
	Reference	Amount	
81	Total Historical Cost (line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 3,277,960	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 68,058	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 101,608	83 **
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 33,550	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 1,962,706	85

## F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86	1991 Mercedes Benz (1993)	\$ 46,219	\$	\$ 46,219	86
87	1996 Jeep (1995)	30,199		30,199	87
88	1999 Suburban (2000)	29,810	2,712	25,741	88
89	2001 Envoy (2002)	40,686	9,114	16,774	89
90	2004 Mercedes Benz	76,104	10,710	10,710	90
91	TOTALS	\$ 223,018	\$ 22,536	\$ 129,643	91

## G. Construction-in-Progress

	Description	Cost	
92		\$	92
93	New Bldg-Design & permit phase	22,600	93
94			94
95		\$ 22,600	95

\* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

\*\* This must agree with Schedule V line 30, column 8.

SEE ACCOUNTANTS' COMPILATION REPORT

**1. Name of Party Holding Lease:** N/A

**If NO, see instructions.**

**SEE ACCOUNTANTS' COMPILATION REPORT**

**A. TYPE OF TRAINING PROGRAM (If aides are trained in another facility program, attach a schedule listing the facility name, address and cost per aide trained in that facility.)**

<b>1. HAVE YOU TRAINED AIDES DURING THIS REPORT PERIOD?</b> <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO It is the policy of this facility to only hire certified nurses aides. If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.	<b>2. CLASSROOM PORTION:</b> IN-HOUSE PROGRAM <input type="checkbox"/> IN OTHER FACILITY <input type="checkbox"/> COMMUNITY COLLEGE <input type="checkbox"/> HOURS PER AIDE _____	<b>3. CLINICAL PORTION:</b> IN-HOUSE PROGRAM <input type="checkbox"/> IN OTHER FACILITY <input type="checkbox"/> HOURS PER AIDE _____
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------

**B. EXPENSES**

**ALLOCATION OF COSTS (d)**

		1	2	3	4
		Facility			
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	Nurse Aide Competency Tests				
9	TOTALS	\$	\$	\$	\$
10	SUM OF line 9, col. 1 and 2 (e)	\$			

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefits.  
 (b) Include wages paid during the clinical portion of training. Do not include fringe benefits.  
 (c) For in-house training programs only. Do not include fringe benefits.  
 (d) Allocate based on if the aide is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own aides.

**C. CONTRACTUAL INCOME**

In the box below record the amount of income your facility received training aides from other facilities.

\$ \_\_\_\_\_

**D. NUMBER OF AIDES TRAINED**

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

- (e) The total amount of Drop-out and Completed Costs for your own aides must agree with Sch. V, line 13, col. 8.  
 (f) Attach a schedule of the facility names and addresses of those facilities for which you trained aides.  
**SEE ACCOUNTANTS' COMPILATION REPORT**

**XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)**

		1	2	3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	10A(3)	hrs	\$	2,423	\$ 145,370	\$	2,423	\$ 145,370	1
2	Licensed Speech and Language Development Therapist	10A(3)	hrs		190	11,395		190	11,395	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	10A(3)	hrs		2,354	141,218		2,354	141,218	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	39(2)	# of prescripts				60,736		60,736	9
	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program	39(1, 2, 3)		167,472	291	17,467	8,615	291	193,554	12
13	Other (specify):    VA Physician	39(3)			25	761		25	761	13
14	TOTAL			\$ 167,472	5,282	\$ 316,211	\$ 69,351	5,282	\$ 553,034	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as nurse aides, who help with the above activities should not be listed on this schedule.

SEE ACCOUNTANTS' COMPILATION REPORT

**Southgate Health Care Center**

**Provider #:**

**0017996**

**01/01/03**

**to**

**12/31/03**

Schedule 16A

XIV. Special Services

Line 13 Other (specify):

Service	Line Reference	Outside Practioner Units	Cost	Supplies
Total		0	0	0

**Southgate Health Care Center**

**Provider #: 0017996**

**01/01/03 to 12/31/03**

Schedule 16A

XIV. Special Services

Line 13 Other (specify):

Service	Line Reference	Outside Practioner Units	Cost	Supplies
	L39, C3			
	L39, C3			
	L39, C3			
	L39, C3			
Total			0	0

**See Accountants' Compilation Report**



## STATE OF ILLINOIS

Page 17

Facility Name &amp; ID Number Southgate Health Care Center

# 0017996

Report Period Beginning: 01/01/03

Ending:

12/31/03

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/03

(last day of reporting year)

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
	<b>A. Current Assets</b>			
1	Cash on Hand and in Banks	\$ 191,506	\$ 191,506	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance 42,219 )	666,206	666,206	3
4	Supply Inventory (priced at )			4
5	Short-Term Investments			5
6	Prepaid Insurance			6
7	Other Prepaid Expenses	29,538	29,538	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): <u>Employee Receivables</u>	7,584	7,584	9
10	<b>TOTAL Current Assets</b> (sum of lines 1 thru 9)	\$ 894,834	\$ 894,834	10
	<b>B. Long-Term Assets</b>			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	100,000	100,000	13
14	Buildings, at Historical Cost	2,684,476	2,481,386	14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	696,574	696,574	16
17	Accumulated Depreciation (book methods)	(2,080,341)	(1,962,706)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): <u>See schedule 17A</u>	23,527	23,527	23
24	<b>TOTAL Long-Term Assets</b> (sum of lines 11 thru 23)	\$ 1,424,236	\$ 1,338,781	24
25	<b>TOTAL ASSETS</b> (sum of lines 10 and 24)	\$ 2,319,070	\$ 2,233,615	25

		1 Operating	2 After Consolidation*	
	<b>C. Current Liabilities</b>			
26	Accounts Payable	\$ 114,454	\$ 114,454	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	78,125	78,125	30
31	Accrued Taxes Payable (excluding real estate taxes)	10,910	10,910	31
32	Accrued Real Estate Taxes(Sch.IX-B)	18,700	18,700	32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	<b>Other Current Liabilities(specify):</b>			
36	<u>See Schedule 17A</u>	101,961	101,961	36
37	<u>Deferred Income-Patient Liability</u>	70,342	70,342	37
38	<b>TOTAL Current Liabilities</b> (sum of lines 26 thru 37)	\$ 394,492	\$ 394,492	38
	<b>D. Long-Term Liabilities</b>			
39	Long-Term Notes Payable	94,373	94,373	39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
	<b>Other Long-Term Liabilities(specify):</b>			
43				43
44				44
45	<b>TOTAL Long-Term Liabilities</b> (sum of lines 39 thru 44)	\$ 94,373	\$ 94,373	45
46	<b>TOTAL LIABILITIES</b> (sum of lines 38 and 45)	\$ 488,865	\$ 488,865	46
47	<b>TOTAL EQUITY</b> (page 18, line 24)	\$ 1,830,205	\$ 1,744,750	47
48	<b>TOTAL LIABILITIES AND EQUITY</b> (sum of lines 46 and 47)	\$ 2,319,070	\$ 2,233,615	48

SEE ACCOUNTANTS' COMPILATION REPORT

\*(See instructions.)

**Southgate Health Care Center, Inc.**

**Facility #: 0017996**

**01/01/2003 - 12/31/2003**

**Schedule 17A**

Page 17 - Line 23 - Other

Unamortized Loan Costs

927

Construction in progress

22,600

Total - Line 9

23,527

Page 17 - Line 36 - Other

Accrued payroll withholding

1,984.00

Accrued IDPA audit liability

99,977.00

Total - Line 36

101,961.00

**XVI. STATEMENT OF CHANGES IN EQUITY**

		<b>1</b> <b>Total</b>	
<b>1</b>	<b>Balance at Beginning of Year, as Previously Reported</b>	<b>\$ 2,091,130</b>	<b>1</b>
<b>2</b>	Restatements (describe):		<b>2</b>
<b>3</b>			<b>3</b>
<b>4</b>	<b>Adjustments subsequent to cost report preparation</b>	<b>(13,144)</b>	<b>4</b>
<b>5</b>			<b>5</b>
<b>6</b>	<b>Balance at Beginning of Year, as Restated (sum of lines 1-5)</b>	<b>\$ 2,077,986</b>	<b>6</b>
	<b>A. Additions (deductions):</b>		
<b>7</b>	NET Income (Loss) (from page 19, line 43)	<b>351,097</b>	<b>7</b>
<b>8</b>	Aquisitions of Pooled Companies		<b>8</b>
<b>9</b>	Proceeds from Sale of Stock		<b>9</b>
<b>10</b>	Stock Options Exercised		<b>10</b>
<b>11</b>	Contributions and Grants		<b>11</b>
<b>12</b>	Expenditures for Specific Purposes		<b>12</b>
<b>13</b>	Dividends Paid or Other Distributions to Owners	<b>(598,878)</b>	<b>13</b>
<b>14</b>	Donated Property, Plant, and Equipment		<b>14</b>
<b>15</b>	Other (describe)		<b>15</b>
<b>16</b>	Other (describe)		<b>16</b>
<b>17</b>	<b>TOTAL Additions (deductions) (sum of lines 7-16)</b>	<b>\$ (247,781)</b>	<b>17</b>
	<b>B. Transfers (Itemize):</b>		
<b>18</b>			<b>18</b>
<b>19</b>			<b>19</b>
<b>20</b>			<b>20</b>
<b>21</b>			<b>21</b>
<b>22</b>			<b>22</b>
<b>23</b>	<b>TOTAL Transfers (sum of lines 18-22)</b>	<b>\$</b>	<b>23</b>
<b>24</b>	<b>BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)</b>	<b>\$ 1,830,205</b>	<b>24</b>

Operating Entity Only

\* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

## STATE OF ILLINOIS

Page 19

Facility Name &amp; ID Number Southgate Health Care Center

# 0017996

Report Period Beginning: 01/01/03

Ending:

12/31/03

**XVII. INCOME STATEMENT** (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.

**Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.**

1			
	Revenue	Amount	
<b>A. Inpatient Care</b>			
1	Gross Revenue -- All Levels of Care	\$ 3,496,070	1
2	Discounts and Allowances for all Levels	308,580	2
3	<b>SUBTOTAL Inpatient Care (line 1 minus line 2)</b>	\$ 3,804,650	3
<b>B. Ancillary Revenue</b>			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	321,886	6
7	Oxygen	3,473	7
8	<b>SUBTOTAL Ancillary Revenue (lines 4 thru 7)</b>	\$ 325,359	8
<b>C. Other Operating Revenue</b>			
9	Payments for Education		9
10	Other Government Grants		10
11	Nurses Aide Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care		13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	95,980	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services	14,694	21
22	Laundry		22
23	<b>SUBTOTAL Other Operating Revenue (lines 9 thru 22)</b>	\$ 110,674	23
<b>D. Non-Operating Revenue</b>			
24	Contributions		24
25	Interest and Other Investment Income***	2,007	25
26	<b>SUBTOTAL Non-Operating Revenue (lines 24 and 25)</b>	\$ 2,007	26
<b>E. Other Revenue (specify):****</b>			
27	<b>Settlement Income (Insurance, Legal, Etc.)</b>		27
28	<b>See attached schedule 19A</b>	36,066	28
28a	<b>Vending Income</b>	1,003	28a
29	<b>SUBTOTAL Other Revenue (lines 27, 28 and 28a)</b>	\$ 37,069	29
30	<b>TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)</b>	\$ 4,279,759	30

2			
	Expenses	Amount	
<b>A. Operating Expenses</b>			
31	General Services	755,255	31
32	Health Care	1,590,806	32
33	General Administration	984,443	33
<b>B. Capital Expense</b>			
34	Ownership	123,664	34
<b>C. Ancillary Expense</b>			
35	Special Cost Centers	397,844	35
36	Provider Participation Fee	76,650	36
<b>D. Other Expenses (specify):</b>			
37			37
38			38
39			39
40	<b>TOTAL EXPENSES (sum of lines 31 thru 39)*</b>	\$ 3,928,662	40
41	<b>Income before Income Taxes (line 30 minus line 40)**</b>	351,097	41
42	<b>Income Taxes</b>		42
43	<b>NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)</b>	\$ 351,097	43

\* This must agree with page 4, line 45, column 4.

\*\* Does this agree with taxable income (loss) per Federal Income Tax Return? Yes If not, please attach a reconciliation.

\*\*\* See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation. SEE ACCOUNTANTS' COMPILATION REPORT

\*\*\*\*Provide a detailed breakdown of "Other Revenue" on an attached sheet.

**Southgate Health Care Center. Inc.**

**Facility #: 0017996**

**01/01/2003 - 12/31/2003**

**Schedule 19A**

Page 19: Line 28 - Other Revenue

Bad Debt Recovery	35,398
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Medicare prior year settlement	668
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Total - Line 28	<u>36,066</u>
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Facility Name & ID Number **Southgate Health Care Center**# **0017996**Report Period Beginning: **01/01/03**

Ending:

**12/31/03****XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)**

(This schedule must cover the entire reporting period.)

		1	2**	3	4	
		# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage	
1	Director of Nursing	2,074	2,074	\$ 41,012	\$ 19.77	1
2	Assistant Director of Nursing	2,257	2,385	43,174	18.10	2
3	Registered Nurses	7,328	7,776	117,926	15.17	3
4	Licensed Practical Nurses	20,188	20,990	264,783	12.61	4
5	Nurse Aides & Orderlies	59,133	61,949	460,867	7.44	5
6	Nurse Aide Trainees	20,148	20,642	117,540	5.69	6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	2,044	2,044	22,905	11.21	9
10	Activity Assistants	5,176	5,416	40,976	7.57	10
11	Social Service Workers	3,997	4,154	44,869	10.80	11
12	Dietician					12
13	Food Service Supervisor	2,000	2,080	25,104	12.07	13
14	Head Cook	3,616	3,872	24,309	6.28	14
15	Cook Helpers/Assistants	11,637	12,562	72,712	5.79	15
16	Dishwashers	4,472	4,703	27,319	5.81	16
17	Maintenance Workers	5,726	5,741	69,516	12.11	17
18	Housekeepers	17,914	18,574	111,545	6.01	18
19	Laundry	10,354	10,732	69,441	6.47	19
20	Administrator	2,000	2,080	71,874	34.55	20
21	Assistant Administrator					21
22	Other Administrative	2,000	2,080	170,493	81.97	22
23	Office Manager	2,000	2,080	30,120	14.48	23
24	Clerical	8,796	9,339	99,960	10.70	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	4,362	4,632	54,415	11.75	31
32	Other Health Care(specify)	2,973	3,005	42,421	14.12	32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	200,195	208,910	\$ 2,023,281 *	\$ 9.68	34

\* This total must agree with page 4, column 1, line 45.

\*\* See instructions.

**B. CONSULTANT SERVICES**

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant	202	\$ 6,936	1(3)	35
36	Medical Director	40	5,000	9(3)	36
37	Medical Records Consultant	50	1,773	10(3)	37
38	Nurse Consultant				38
39	Pharmacist Consultant	72	1,100	10(3)	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant				44
45	Social Service Consultant				45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	364	\$ 14,809		49

**C. CONTRACT NURSES**

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses		\$		50
51	Licensed Practical Nurses	1,786	52,244	10(3)	51
52	Nurse Aides				52
53	TOTAL (lines 50 - 52)	1,786	\$ 52,244		53

SEE ACCOUNTANTS' COMPILATION REPORT

**Southgate Health Care Center, Inc.**

**Facility #: 0017996**

**01/01/2002 - 12/31/2002**

**Schedule 20A**

<u>Description</u>	<u>Hours Worked</u>	<u>Hours Paid</u>	<u>Total Wages</u>	<u>Ave. Hrly. Wage</u>
<u>Page 20: Line 32 - Other Health Care</u>				
Care Plan Coordinator	2,973	3,005	42,421	14.12
Total - Line 32	<u>2,973</u>	<u>3,005</u>	<u>42,421</u>	<u>14.12</u>

## XIX. SUPPORT SCHEDULES

A. Administrative Salaries				Ownership		D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions		
Name	Function	%	Amount	Description	Amount	Description	Amount	Description	Amount		
Michelle L Cavitt	Administrator	0.00%	\$ 71,874	Workers' Compensation Insurance	\$ 79,344	IDPH License Fee	\$ 200				
Sam Thompson	Administrative	4.67%	170,493	Unemployment Compensation Insurance	20,273	Advertising; Employee Recruitment	702				
				FICA Taxes	148,394	Health Care Worker Background Check (Indicate # of checks performed 106 )	1,274				
				Employee Health Insurance	7,783	IL Health Care Association dues	7,560				
				Employee Meals	41,590	Miscellaneous dues	1,107				
				Illinois Municipal Retirement Fund (IMRF)*		Miscellaneous subscriptions	321				
				Employee Retirement	5,911	Miscellaneous Licenses & fees	908				
				Employee Recognition & Morale	32,302	Promotional advertising	11,263				
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)				\$ 242,367				Less: Public Relations Expense	(		
B. Administrative - Other								Non-allowable advertising	(9,884)		
Description				Amount				Yellow page advertising	(1,774)		
N/A								TOTAL (agree to Sch. V, line 20, col. 8)			
								\$ 11,677			
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)				\$		E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**		
C. Professional Services						Description			Amount		
Vendor/Payee	Type		Amount	Description	Line #	Amount	Out-of-State Travel			\$	
See attached Sch 21A			26,446								
				N/A			In-State Travel				
							Seminar Expense			10,372	
							See Attached Schedule				
							Less: Non-allowable expenses			(5,013)	
							Entertainment Expense			(	
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$2500 attach copy of invoices.)				\$ 26,446	TOTAL		\$	(agree to Sch. V, line 24, col. 8)		\$ 5,359	

\* Attach copy of IMRF notifications  
SEE ACCOUNTANTS' COMPILATION REPORT

**\*\*See instructions.**



**01/01/03**

to 12/31/03

**Schedule 21A**

## XIX. SUPPORT SCHEDULE

### **Professional Services**

[illegible]

**XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS** (which have been included in Sch. V, line 6, col. 3).  
(See instructions.)

	1 Improvement Type	2 Month & Year Improvement Was Made	3 Total Cost	4 Useful Life	5                      6                      7                      8                      9                      10                      11                      12                      13 Amount of Expense Amortized Per Year								
					FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
1			\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2													
3													
4													
5													
6						N/A							
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Southgate Health Care Center

STATE OF ILLINOIS

# 0017996

Report Period Beginning:

01/01/03

Ending:

Page 23

12/31/03

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN, LPN, NA) represented by a union? No
- (2) Are there any dues to nursing home associations included on the cost report? Yes  
If YES, give association name and amount. Illinois Health Care Association - 7,560
- (3) Did the nursing home make political contributions or payments to a political organization? Yes If YES, have these costs been properly adjusted out of the cost report? Yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? \_\_\_\_\_
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes  
What was the average life used for new equipment added during this period? 7 years
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 22,863 Line 10(2)
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? No  
If YES, give effective date of lease. N/A
- (9) Are you presently operating under a sublease agreement? \_\_\_\_\_ YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES \_\_\_\_\_ NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department of Public Aid during this cost report period. \$ 76,650  
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? Yes If YES, attach an explanation of the allocation.

SEE ACCOUNTANTS' COMPILATION REPORT

- (13) Have costs for all supplies and services which are of the type that can be billed to the Department of Public Aid, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions
- (15) Indicate the cost of employee meals that has been reclassified to employee benefit: on Schedule V. \$ 33,578 Has any meal income been offset against related costs? No Indicate the amount. \$ N/A
- (16) Travel and Transportation  
a. Are there costs included for out-of-state travel? No  
If YES, attach a complete explanation.  
b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such a program during this reporting period. \$ N/A  
c. What percent of all travel expense relates to transportation of nurses and patients? 0  
d. Have vehicle usage logs been maintained? Adequate records have been maintained.  
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? Yes  
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? Yes  
g. Does the facility transport residents to and from day training? No  
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm? No  
Firm Name: N/A The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? N/A If no, please explain. N/A
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$2500, have legal invoices and a summary of services performed been attached to this cost report? Yes  
Attach invoices and a summary of services for all architect and appraisal fees.

**Southgate Health Care Center, Inc.**

**Facility #: 0017996**

**01/01/2003 - 12/31/2003**

**Schedule 23A**

**Page 23: Question 12 - Allocation of Salary Cost to Separate Lines**

Salaries for Exceptional Care Program are included on Schedule V, line 39, column 1,  
as indicated below:

Nursing wages	162,001
Housekeeping wages	<u>5,471</u>
Total: Schedule V, line 39, column 1	<u><u>167,472</u></u>

## RECONCILIATION REPORT

Southgate Health Care C

01:19 PM 11/04/05

ITEM	Value 1	Cond.	Value 2	Difference	RESULTS	COMPARE CEL	SUB- SCHED.	LINE NO.	COL. NO.	WITH CELL	SUB- SCHED.	LINE NO.	COL. NO.
Adjustment Detail	-155,887	equal to	-155,887	0	O.K.	Pg5 Z22	B.	37	1	Pg4 K29	N/A	45	7
Interest Expense	0	equal to	0	0	O.K.	Pg9 P34	A.	15	10	Pg4 L13	N/A	32	8
Real Estate Tax Expenses	20,355	equal to	20,355	0	O.K.	Pg10 W24	B.	5	N/A	Pg4 L14	N/A	33	8
Amortization exp. Pre-opening & org.	0	equal to	0	0	O.K.	Pg11 I33	E.	3	N/A	Pg4 L12	N/A	31	8
Ownership Costs-Depreciation	101,608	equal to	101,608	0	O.K.	Pg13 Y28	E.	49	2	Pg4 L11	N/A	30	8
Rental Costs A	0	equal to	0	0	O.K.	Pg14 L20+N22	A.	7 + 8	4+N/A	Pg4 L15	N/A	34	8
Rental Costs B	10,791	equal to	10,791	0	O.K.	Pg14 J30+N40	B.+ C.	16+21	N/A+4	Pg4 L16	N/A	35	8
Nurse Aid Training Prog.	0	equal to	0	0	O.K.	Pg15 L36	B.	10	1	Pg3 L23	N/A	13	8
Special Serv. - Staff Wages	167,472	equal to	167,472	0	O.K.	Pg16 N32	N/A	14	3	Pg4 E22	N/A	39	1
Therapy Services	297,983	equal to	297,983	0	O.K.	Pg16 Z12+Z14...	N/A/B	1-4,40-43	8;2	Pg3 H20	N/A	10a	4
Special Serv. - Supplies	69,351	equal to	#VALUE!	#VALUE!	#VALUE!	Pg16 V32	N/A	14	6	Pg4 F22 + Pg 3	N/A	39,10a	2
Income Stat. General Serv.	755,255	equal to	755,255	0	O.K.	Pg19 P11	N/A	31	2	Pg3 H16	N/A	8	4
Income Stat. Health Care	1,590,806	equal to	1,590,806	0	O.K.	Pg19 P12	N/A	32	2	Pg3 H26	N/A	16	4
Income Stat. Admininstation	984,443	equal to	984,443	0	O.K.	Pg19 P13	N/A	33	2	Pg3 H39	N/A	28	4
Income Stat. Ownership	123,664	equal to	123,664	0	O.K.	Pg19 P15	N/A	34	2	Pg4 H18	N/A	37	4
Income Stat. Special Cost Ctr	397,844	equal to	397,844	0	O.K.	Pg19 P17	N/A	35	2	Pg4 H21..H24+†	N/A	38to41+43	4
Income Stat. Prov. Partic.	76,650	equal to	76,650	0	O.K.	Pg19 P18	N/A	36	2	Pg4 H25	N/A	42	4
Staff- Nursing	982,177	equal to	980,137	2,040	FAILED	Pg20 K11..K15+	A.	1-5,24,25,27-30	3	Pg3 E19	N/A	10	1
Staff- Nurse aide Training	117,540	< or = to	0	0	O.K.	Pg20 K16	A.	6	3	Pg3 E23	N/A	13	1
Staff-Licensed Therapist	0	equal to	167,472	-167,472	FAILED	Pg20 K17	A.	7	3	Pg4 E22	N/A	39	1
Staff- Activities	63,881	equal to	63,881	0	O.K.	Pg20 K19+K20	A.	9+10	3	Pg3 E21	N/A	11	1
Staff- Social Serv. Workers	44,869	equal to	44,869	0	O.K.	Pg20 K21	A.	11	3	Pg3 E22	N/A	12	1
Staff- Dietary	149,444	equal to	149,444	0	O.K.	Pg20 K22..K26	A.	16-Dec	3	Pg3 E9	N/A	1	1
Staff- Maintenance	69,516	equal to	69,516	0	O.K.	Pg20 K27	A.	17	3	Pg3 E14	N/A	6	1
Staff- Housekeeping	111,545	equal to	106,074	5,471	FAILED	Pg20 K28	A.	18	3	Pg3 E11	N/A	3	1
Staff- Laundry	69,441	equal to	69,441	0	O.K.	Pg20 K29	A.	19	3	Pg3 E12	N/A	4	1
Staff- Administrative	242,367	equal to	242,367	0	O.K.	Pg20 K30..K32	A.	20-22	3	Pg3 E28	N/A	17	1
Staff- Clerical	130,080	equal to	130,080	0	O.K.	Pg20 K33..K34	A.	23+24	3	Pg3 E32	N/A	21	1
Staff- Medical Director	0	equal to	0	0	O.K.	Pg20 K37	A.	27	3	Pg3 E18	N/A	9	1
Total Salaries And Wages	2,023,281	equal to	2,023,281	0	O.K.	Pg20 K44	A.	34	3	Pg4 E29	N/A	45	1
Dietary Consultant	6,936	< or = to	6,936	0	O.K.	Pg20 X12	B.	35	2	Pg3 G9	N/A	1	3
Medical Director	5,000	< or = to	5,000	0	O.K.	Pg20 X13	B.	36	2	Pg3 G18	N/A	9	3
Consultants & contractors	55,117	< or = to	55,117	0	O.K.	Pg20 X14..X16+	B. & C.	37to39 and 50to5	2	Pg3 G19	N/A	10	3
Activity Consultant	0	< or = to	0	0	O.K.	Pg20 X21	B.	44	2	Pg3 G21	N/A	11	3
Social Service Consultant	0	< or = to	0	0	O.K.	Pg20 X22	B.	45	2	Pg3 G22	N/A	12	3
Supp. Sched.- Admin. Salar.	242,367	equal to	242,367	0	O.K.	Pg21 I16	A.	N/A	N/A	Pg3 E28	N/A	17	1
Supp. Sched.- Admin. Other		equal to		0	O.K.	Pg21 I24	B.	N/A	N/A	Pg3 G28	N/A	17	3
Supp. Sched.- Prof. Serv.	26,446	equal to	26,446	0	O.K.	Pg21 I41	C.	N/A	N/A	Pg3 G30	N/A	19	3
Supp. Sched.- Benefit/Taxes	335,597	equal to	335,597	0	O.K.	Pg21 P22	D.	N/A	N/A	Pg3 L33	N/A	22	8
Supp. Sched.- Sched of dues..	11,677	equal to	11,677	0	O.K.	Pg21 V22	F.	N/A	N/A	Pg3 L31	N/A	20	8
Supp. Sched.- Sched. of trav	5,359	equal to	5,359	0	O.K.	Pg21 V41	G.	N/A	N/A	Pg3 L35	N/A	24	8
Gen. Info - Particip. Fees	76,650	equal to	76,650	0	O.K.	Pg23 I38	N/A	11	N/A	Pg4 G25	N/A	42	3
Gen. Info - Employee Meals	33,578	< or = to	33,578	0	O.K.	Pg23 S16	N/A	16	N/A	Pg3 K33	N/A	2 & 22	7
Gen. Info - Employee Meals	33,578	equal to	41,590	-8,012	FAILED	Pg23 S16	N/A	16	N/A	Pg21 P12	D.	N/A	N/A
Nurse aide training	0	equal to	0	0	O.K.	Pg15 U29..U31	B.	3, 4 & 5	4	Pg3 E23	N/A	13	1
Days of medicare provided	2,786	equal to	3,520	-734	FAILED	Pg2 AB29	K.	N/A	N/A	Pg2 J30	B.	8	4
Adjustment for related org. costs		equal to	0	#VALUE!	#VALUE!	Pg5 Z18	B.	34	1	Pg6 to Pg 6I Y4†	B.	14	8
Total loan balance	94,373	equal to	94,373	0	O.K.	Pg9 L34	A.	15	7	Pg17 V13+V27..	N/A	29+39-41	2
Real estate tax accrual	18,700	equal to	18,700	0	O.K.	Pg10 W15	B.	4	N/A	Pg17 V17	N/A	32	2
Land	100,000	equal to	100,000	0	O.K.	Pg11 T43	A.	3	4	Pg17 K25	N/A	13	2
Building cost	2,481,386	equal to	2,481,386	0	O.K.	Pg12 to 12I L43	B.	36	4	Pg17 K26+K27	N/A	14 & 15	2
Equipment and vehicle cost	696,574	equal to	696,574	0	O.K.	Pg13 O22+L13	C. & D.	41 + 46	1 + 4	Pg17 K28	N/A	16	2
Accumulated depr.	1,962,706	equal to	1,962,706	0	O.K.	Pg13 Y30	E.	51	2	Pg17 K29	N/A	17	2
End of year equity	1,830,205	equal to	1,830,205	0	O.K.	Pg18 I33	N/A	24	1	Pg17 S39	N/A	47	1
Net income (loss)	351,097	equal to	351,097	0	O.K.	Pg18 I15	N/A	7	1	Pg19 P30	N/A	43	2
Unamortized deferred maint. cost	0	equal to	0	0	O.K.	Pg22 F31-J31..S	H.	20	3	Pg17 K30	N/A	18	2
Balance Sheet	2,319,070	equal to	2,319,070	0	O.K.	Pg17:H41		25	1	Pg17 S41	N/A	48	1

[illegible][illegible][illegible]

8. **General Services Inflation Multiplier**

Refer to Table 1 (Inflation Multiplier), and find the multiplier which corresponds with the base number you have calculated.

(General Services Multiplier)  
(General Administration Multiplier)

9. **Apply Inflation Multipliers to Update Cost**

1. Multiply **Base Total General Services Cost** (row 1, step 1) by the appropriate multiplier from Table 1.

**New Total General Services Cost (Step 1.0)**  
(General Services Multiplier) (Step 8.0)

**Updated General Services Cost**

2. Multiply **Base Total General Administration Cost** (row 2, step 1) by the appropriate multiplier from Table 1.

**New Total General Administration Cost (Step 2.0)**  
(General Administration Multiplier) (Step 8.0)

**Updated General Services Cost**

3. Total **Updated Support Costs** (1 + 2)

[illegible][illegible]

<p>If your support rate per claim from Day 0 is below the 35th percentile for your HSA, then your support rate is your support rate per claim plus 10 percentage of the difference between your support rate and the 35th percentile rate in a cell. This resulting rate is a 35th percentile rate difference between the 35th and 10th percentile rates in a cell. This resulting rate is used in Table 1, Column 2. Use the following formula to calculate your rate:</p> $75\% \text{ Percentile Rate for your HSA} \\ \text{Minus Support Costs Per Claim}$ <p>Difference</p> <p>Multiply the Difference by</p> <p>One-half of the Difference</p> <p>Complete and add the difference to the profit margin for your HSA in Table 1, Column 3.</p> <p>Enter the Lesser of the Two Amounts</p> <p>Plus Support Costs Per Claim</p> <p>Support Rate if support costs less than 35th percentile</p>	<p>35th Percentile is 35th Percentile in a cell</p>
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15. **WARRANTY:** TO THE SUPPORT RATE from A, B, or C also

Index	General		General
	Index	Multipliers	
262	1.1142	1.0232	
263	1.1176	1.0232	
264	1.1211	1.0232	
265	1.1247	1.0275	
266	1.1283	1.0275	
267	1.0765	1.0249	
268	1.0800	1.0249	
269	1.0836	1.0249	
271	1.0882	1.0132	
272	1.0918	1.0132	
273	1.0954	1.0132	
274	1.0990	1.0132	
275	1.1026	1.0132	
276	1.1062	1.0132	
277	1.1098	1.0132	
278	1.1134	1.0132	
279	1.0890	1.0091	
280	1.0926	1.0091	
281	1.0962	1.0091	
282	1.0998	1.0091	
283	1.1034	1.0091	
284	1.1070	1.0091	
285	1.1106	1.0091	
286	1.1142	1.0091	
287	1.1178	1.0091	
288	1.1214	1.0091	
289	1.1250	1.0091	
290	1.1286	1.0091	
291	1.1322	1.0091	
292	1.0717	1.0042	
293	1.0753	1.0042	
294	1.0789	1.0042	
295	1.0825	1.0042	
296	1.0861	1.0042	
297	1.0897	1.0042	
298	1.0933	1.0042	
299	1.0969	1.0042	
300	1.1005	1.0042	
301	1.1041	1.0042	
302	1.1077	1.0042	
303	1.1113	1.0042	
304	1.1149	1.0042	
305	1.1185	1.0042	
306	1.1221	1.0042	
307	1.1257	1.0042	
308	1.1293	1.0042	
309	1.1329	1.0042	
310	1.1365	1.0042	
311	1.1401	1.0042	
312	1.1437	1.0042	
313	1.1473	1.0042	
314	1.1509	1.0042	
315	1.1545	1.0042	
316	1.1581	1.0042	
317	1.1617	1.0042	
318	1.1653	1.0042	
319	1.1689	1.0042	
320	1.1725	1.0042	
321	1.1761	1.0042	
322	1.1797	1.0042	
323	1.1833	1.0042	
324	1.1869	1.0042	
325	1.1905	1.0042	
326	1.1941	1.0042	
327	1.1977	1.0042	
328	1.2013	1.0042	
329	1.2049	1.0042	
330	1.2085	1.0042	
331	1.2121	1.0042	
332	1.2157	1.0042	
333	1.2193	1.0042	
334	1.2229	1.0042	
335	1.2265	1.0042	
336	1.2301	1.0042	
337	1.2337	1.0042	
338	1.2373	1.0042	
339	1.2409	1.0042	
340	1.2445	1.0042	
341	1.2481	1.0042	
342	1.2517	1.0042	
343	1.2553	1.0042	
344	1.2589	1.0042	
345	1.2625	1.0042	
346	1.2661	1.0042	
347	1.2697	1.0042	
348	1.2733	1.0042	
349	1.2769	1.0042	
350	1.2805	1.0042	
351	1.2841	1.0042	
352	1.2877	1.0042	
353	1.2913	1.0042	
354	1.2949	1.0042	
355	1.2985	1.0042	
356	1.3021	1.0042	
357	1.3057	1.0042	
358	1.3093	1.0042	
359	1.3129	1.0042	
360	1.3165	1.0042	
361	1.3201	1.0042	
362	1.3237	1.0042	
363	1.3273	1.0042	
364	1.3309	1.0042	
3			

WLD	75th	50th	Below 50th
2	17.15	11.77	2.60
3	16.28	10.73	2.85
4	17.15	11.77	2.60
6	12.00	27.63	2.60
7	43.80	31.76	0.076
7	43.80	31.76	0.076
8	43.80	31.76	0.076
9	38.62	38.17	0.076
10	40.08	32.0	0.040
11	38.82	30.00	0.000

275	1.00000	1.00000
276	1.07730	1.00000
277	1.07730	1.00000
278	1.07730	1.00000
279	1.00000	1.00000
280	1.00000	1.00000
281	1.00000	1.00000
282	1.00000	1.07730
283	1.00000	1.07730
284	1.00000	1.07730
285	1.00000	1.00000
286	1.00000	1.00000
287	1.00000	1.00000
288	1.00170	1.00000
289	1.00000	1.00000
290	1.00000	1.00000
291	1.00000	1.00000
292	1.00000	1.00000
293	1.00000	1.00000
294	1.00000	1.00000
295	1.00000	1.00000
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371	1.00000	1.00000
372	1.00000	1.00000
373	1.00000	1.00000
374	1.00000	1.00000
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376	1.00000	1.00000
377	1.00000	1.00000
378	1.00000	1.00000
379	1.00000	1.00000
380	1.00000	1.00000
381	1.00000	1.00000
382	1.00000	1.00000
383	1.00000	1.00000
384	1.00000	1.00000
385	1.00000	1.00000



	Salaries	Supplies	Other	Total	Reclass- ifications	Reclassified Total	Adjusted Adjustments	Adjusted Total
1. Dietary	149,444	9,570	6,936	165,950	0	165,950	0	165,950
2. Food Purchase	0	195,418	0	195,418	0	195,418	-34,581	160,837
3. Housekeeping	106,074	20,409	0	126,483	0	126,483	0	126,483
4. Laundry	69,441	11,034	0	80,475	0	80,475	0	80,475
5. Heat and Other Utilities	0	0	72,780	72,780	0	72,780	0	72,780
6. Maintenance	69,516	9,160	35,473	114,149	0	114,149	0	114,149
7. Other (specify)*	0	0	0	0	0	0	0	0
8. Total General Services	394,475	245,591	115,189	755,255	0	755,255	-34,581	720,674
9. Medical Director	0	0	5,000	5,000	0	5,000	0	5,000
10. Nursing & Medical Records	980,137	140,908	55,117	1,176,162	0	1,176,162	0	1,176,162
10a. Therapy	0	0	297,983	297,983	0	297,983	0	297,983
11. Activities	63,881	2,911	0	66,792	0	66,792	0	66,792
12. Social Services	44,869	0	0	44,869	0	44,869	0	44,869
13. Nurse Aide Training	0	0	0	0	0	0	0	0
14. Program Transportation	0	0	0	0	0	0	0	0
15. Other (specify)*	0	0	0	0	0	0	0	0
16. Total Health Care & Programs	1,088,887	143,819	358,100	1,590,806	0	1,590,806	0	1,590,806
17. Administrative	242,367	0	0	242,367	0	242,367	0	242,367
18. Directors Fees	0	0	0	0	0	0	0	0
19. Professional Services	0	0	26,446	26,446	0	26,446	-784	25,662
20. Fees, Subscriptions & Promotion	0	0	23,335	23,335	0	23,335	-11,658	11,677
21. Clerical & General Office	130,080	15,854	55,027	200,961	0	200,961	-1,617	199,344
22. Employee Benefits & Payroll	0	0	302,019	302,019	0	302,019	33,578	335,597
23. Inservice Training & Education	0	0	0	0	0	0	0	0
24. Travel and Seminar	0	0	10,372	10,372	0	10,372	-5,013	5,359
25. Other Admin. Staff Trans	0	0	14,751	14,751	0	14,751	-2,109	12,642
26. Insurance-Prop.Liab.Malpractice	0	0	164,192	164,192	0	164,192	0	164,192
27. Other (specify)*	0	0	0	0	0	0	0	0
28. Total General Adminis	372,447	15,854	596,142	984,443	0	984,443	12,397	996,840
29. Total General Administrative	1,855,809	405,264	1,069,431	3,330,504	0	3,330,504	-22,184	3,308,320
30. Depreciation	0	0	90,594	90,594	0	90,594	11,014	101,608
31. Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0
32. Interest	0	0	1,924	1,924	0	1,924	-1,924	0
33. Real Estate	0	0	20,355	20,355	0	20,355	0	20,355
34. Rent - Facility & Grounds	0	0	0	0	0	0	0	0
35. Rent - Equipment & Vehicles	0	0	10,791	10,791	0	10,791	0	10,791
36. Other (specify):*	0	0	0	0	0	0	0	0
37. Total Ownership	0	0	123,664	123,664	0	123,664	9,090	132,754
38. Medically Necessary T	0	0	0	0	0	0	0	0
39. Ancillary Service Cent	167,472	69,351	18,228	255,051	0	255,051	0	255,051
40. Barber and Beauty Shop	0	0	0	0	0	0	0	0
41. Coffee and Gift Shops	0	0	0	0	0	0	0	0
42	0	0	76,650	76,650	0	76,650	0	76,650
43. Other (specify):*	0	0	142,793	142,793	0	142,793	-142,793	0
44. Total Special Cost Ce	167,472	69,351	237,671	474,494	0	474,494	-142,793	331,701
45. Grand Total	2,023,281	474,615	1,430,766	3,928,662	0	3,928,662	-155,887	3,772,775



	Operating	After Consolidation
General Service Cost Center		
1. Cash on hand and in banks	191,506	191,506
2. Cash - Patient Deposits	0	0
3. Accounts & Notes Receivable	666,206	666,206
4. Supply Inventory	0	0
5. Short-Term Investments	0	0
6. Prepaid Insurance	0	0
7. Other Prepaid Expenses	29,538	29,538
8. Accounts Receivable-Owner/Related Party	0	0
9. Other (specify):	7,584	7,584
10. Total current assets	894,834	894,834
LONG TERM ASSETS		
11. Long-Term Notes Receivable	0	0
12. Long-Term Investments	0	0
13. Land	100,000	100,000
14. Buildings, at Historical Cost	3,381,050	3,381,050
15. Leasehold Improvements, Historical Cost	0	0
16. Equipment, at Historical Cost	0	0
17. Accumulated Depreciation (book methods)	-2,080,341	-2,080,341
18. Deferred Charges	0	0
19. Organization & Pre-Operating Costs	0	0
20. Accum Amort - Org/Pre-Op Costs	0	0
21. Restricted Funds	0	0
22. Other Long-Term Assets (specify):	0	0
23. other (specify):	23,527	23,527
24. Total Long-Term Assets	1,424,236	1,424,236
25. Total Assets	2,319,070	2,319,070
CURRENT LIABILITIES		
26. Accounts Payable	-114,454	-114,454
27. Officer's Accounts Payable	0	0
28. Accounts Payable-Patients Deposits	0	0
29. Short-Term Notes Payable	0	0
30. Accrued Salaries Payable	-78,125	-78,125
31. Accrued Taxes Payable	-10,910	-10,910
32. Accrued Real Estate Taxes	-18,700	-18,700
33. Accrued Interest Payable	0	0
34. Deferred Compensation	0	0
35. Federal and State Income Taxes	0	0
36. Other Current Liabilities (specify):	-101,961	-101,961
37. Other Current Liabilities (specify):	-70,342	-70,342
38. Total Current Liabilities	-394,492	-394,492
LONG TERM LIABILITES		
39. Long-Term Notes Payable	-94,373	-94,373
40. Mortgage Payable	0	0
41. Bonds Payable	0	0
42. Deferred Compensation	0	0
43. Other Long-Term Liabilities (specify):	0	0
44. Other Long-Term Liabilities (specify):	0	0
45. Total Long-Term Liabilities	-94,373	-94,373
46. Total Liabilities	-488,865	-488,865
47. Total Equity	-1,128,011	-1,128,011
48. Total Liabilities and Equity	-1,616,876	-1,616,876

	Balance per Medicaid Trial Balance
1. Gross Revenue - All levels of Care	-3,496,070
2. Discounts and Allowances for all Levels	-308,580
Subtotal - Inpatient Care	-3,804,650
4. Day Care	0
5. Other Care for Outpatients	0
6. Therapy	-321,886
7. Oxygen	-3,473
Subtotal - Ancillary Revenue	-325,359
9. Payments for Education	0
10. Other Governmental Grants	0
11. Nurses Aide Training Reimbursements	-
12. Gift and Coffee Shop	0
13. Barber and Beauty Care	0
14. Non-Patient Meals	0
15. Telephone, Television, and Radio	0
16. Rental of Facility Space	0
17. Sale of Drugs	-95,980
18. Sale of Supplies to Non-Patients	0
19. Laboratory	0
20. Radiology and X-Ray	0
21. Other Medical Services	-14,694
22. Laundry	0
Subtotal - Other Operating Revenue	-110,674
24. Contributions	0
25. Interest and Other Investments Income	-2,007
Subtotal - Non-Operating Revenue	-2,007
27. Other Revenue (specify):	-36,066
28. Other Revenue (specify):	-1,003
Subtotal - Other Revenue	-37,069
30. Total Revenue	-4,279,759
31. General Services	755,255
32. Health Care	1,590,806
33. General Administration	984,443
34. Ownership	123,664
35. Special Cost Centers	397,844
35. Provider Participation Fee	76,650
37. Other	0
40. Total Expenses	3,928,662
41. Income Before Income Taxes	-8,208,421
42. Income Taxes	0
43. Net Income or Loss for the Year	-8,208,421

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23 Provider Participation fee is linked from page 4